

HALL COUNTY BOARD OF EQUALIZATION MEETING APRIL 8, 2003

The Hall County Board of Equalization met April 8, 2003, by published call and from regular session.

MEMBERS PRESENT – Members present were Scott Arnold, Jim Eriksen, Richard Hartman, Bob Humiston, Bud Jeffries, Pamela Lancaster and Robert Rye.

Arnold made a motion and Rye seconded to open the public hearing for taxable status. Arnold, Eriksen, Hartman, Humiston, Jeffries, Lancaster and Rye all voted yes and none voted no. Motion carried.

9:50 a.m. public hearing

Jan Pelland County Assessor was present and stated that she sent out the notice of intent to tax the leased property at the Hall County Airport. She has a number of protests that she received on the ag-ground that is lease to private individuals.

Ron Depue Attorney for the Hall County Airport was present and stated that this is the third time they have protested the property. In 2000 the protests were denied and the Tax Equalization and Review Commission reversed the decision. The protests that were filed for 2001, and a motion was made to exempt them but it was a tie vote and the motion failed. They appealed this case and it is still pending and there isn't a hearing date scheduled at this time.

The question is if the property that is protested is used for an exempt status. The property east of Skypark Road should be exempt because of the outstanding bonds; these bonds should prohibit the taxation of the property. This property is the area around the airfield operation that is in the direct path of the existing runways and there are FAA restrictions. The airport has an obligation to provide safe runways and the crops on these acres are restricted because of that. The airport wants to be fiscally prudent so they lease the acres for ag purposes to generate some revenue to help with the operation of the airport. In 2002 they bid out the leases for the ag property with the proposal that the tenants pay the taxes, but when the bids were received the bidders subtracted the taxes from the bids, so the airport decided to pay the taxes. He stated that the airport is a county agency and the use of the property is to maintain a safe airport and the ag-land use is incidental to the primary use. They are requesting that the property be exempt.

The 2001 decision was to exempt the property because of the existence of outstanding bonds but changes have been made concerning this and this matter is winding it's way through the courts.

Jeffries questioned what the safety issues had to do with the payment of the taxes. If anyone rents property they know the taxes are included in the rent. Mr. Dupue stated that because the taxes have to be included this has had a killing effect on the bids for the leased property.

The TERC case from 2002 has not been heard because they are waiting for the Supreme Court to hear the appeal and if this is decided it will help determine how to implement LB 271

Eriksen asked County Assessor Jan Pelland if there was a deduction because of the restrictions and she stated she used a 25% per acre deduction to off-set the restrictions.

Arnold stated that this property is for government purposes and if they tried to sell it the FAA would not permit this because they would need to control how it is used. He stated he thinks it should be exempt.

Mr. Depue stated that public purpose is to carry out the responsibilities that are required to do by law and this land is necessary for safe airport operation.

Lancaster stated that this area is a buffer zone and there would be concerns if the land were not well kept. If the airport did not rent out the property they would have to keep up the property but instead they rent it out to secure some income.

Bill Stoval stated that the condition of the land must be kept at a certain level and if the airport had to take care of it, it cost more so they in turn would have to request more tax asking.

Arnold stated that the property should be exempt, the airport is acting as good stewards when they lease the property.

Jeffries stated that this is still farmland and it should be taxed.

Jeffries made a motion and Hartman seconded to go out of the public hearing. Arnold, Eriksen, Hartman, Humiston, Jeffries, Lancaster and Rye all voted yes and none voted no. Motion carried.

Arnold made a motion and Humiston seconded to approve the exemptions on protests #1 to 18. Arnold, Humiston and Lancaster voted yes and Eriksen, Hartman, Jeffries and Rye voted no. Motion failed. The request for the exemption was denied.

Jeffries made a motion and Hartman seconded to go into a board of equalization meeting. Arnold, Eriksen, Hartman, Humiston, Jeffries, Lancaster and Rye all voted yes and none voted no. Motion carried.

10:27 a.m. board of equalization

County Assessor Jan Pelland stated that she prepared the resolution for the use of the referee system and requested the board approval. Discussion was held last year on changes but she did not hear from the board. She distributed information to the board members on the new sales program from TeraScan. It has the identical sales base that the state uses. She reviewed the information and how the program will work. All of the properties will have pictures and drawings and they can pull up to six comps for each property. Included is a map of the subdivision and it shows the location of the comps. The resolution for the referees is the same as last year and the total amount requested will be \$33,500.00, which is also the same. Some of the fees will depend on the number of protests that are filed.

Lancaster stated that the board of equalization needs to have assistance with the protests and hearings, but she stated that the committee needs to talk to Great Plains to

discuss some issues. Pelland stated that they would need to talk to the coordinator Daryl Standard.

Hartman stated that Great Plains has done a good job and treated us well

Lancaster stated that they did not do an RFP for a new company.

Arnold stated he has not heard of wanting to hire someone else, he just wants to meet with them before they start working. They just have some issues to discuss.

Arnold made a motion and Hartman seconded to approve Resolution #03-0025 appointing the referees for the property valuation protests and authorize the chair to sign the agreements. Arnold, Eriksen, Hartman, Humiston, Jeffries, Lancaster and Rye all voted yes and none voted no. Motion carried.

Pelland requested that the board set the dates for the formal hearings for the Board of Equalization. They can set the times later. She suggested July 14, 15 and 16 and have the final action on July 22. Hartman made a motion and Jeffries seconded to set the dates for the formal hearings for July 14, 15, and 16 and set final action on July 22. The times for the meeting can be set later. Arnold, Eriksen, Hartman, Humiston, Jeffries, Lancaster and Rye all voted yes and none voted no. Motion carried.

Jan Pelland stated that the ag-land valuation board met April 7, of this week. She sent the information that they requested prior to the meeting. She received verbal confirmation yesterday that the ag board voted to make an adjustment to Hall County's values. Jan stated that Hall County has two market areas and the CAAP area has the highest value. Her values are at 74% and the board voted to increase it to 76%. She stated that she feels this is unjust and will file an appeal to this action. She will have 15 days to do this. The board supported Jan's suggestion to appeal this action.

Arnold made a motion and Eriksen seconded to amend the agenda and add an emergency item to authorize the Chair to sign a letter supporting the appeal of the AHLVE board. Arnold, Eriksen, Hartman, Humiston, Jeffries, Lancaster and Rye all voted yes and none voted no. Motion carried.

Arnold made a motion and Eriksen seconded to authorize the Chair to sign a letter supporting the appeal from the Hall County Assessor concerning the action of the AHLVE board to increase the percentage to 76%. Arnold, Eriksen, Hartman, Humiston, Jeffries, Lancaster and Rye all voted yes and none voted no. Motion carried.

Humiston made a motion and Eriksen seconded to go out of the board of equalization meeting. Arnold, Eriksen, Hartman, Humiston, Jeffries, Lancaster and Rye all voted yes and none voted no. Motion carried.

11:15 returned to regular session.

Marla J. Conley Hall County Clerk